

November 4, 2020

Rajinder Sahota Division Chief, Industrial Strategies Division

Arpit Soni Manager, Alternative Fuels Section California Air Resources Board (CARB) 1001 I Street Sacramento, CA 95814

Submitted Via Electronic Comment Log

Subject: Comments on Potential Regulation Amendments to Low Carbon Fuel Standard

Dear Ms. Sahota and Mr. Soni:

The Port of Oakland (Port) appreciates this opportunity to comment on CARB's ideas for potential amendments to the Low Carbon Fuel Standard (LCFS) regulation which were presented in a public workshop on October 14, 2020.

The Port supports CARB staff's proposal to define the first fuel reporting entity for eOGV, eCHE, eTRU, and electric forklifts as the entity that owns the charging equipment providing the electricity.

The Port believes that designating the owner of the charging equipment as the default credit generator is the best way to further the goals of the LCFS program. It is in line with the current LCFS arrangement at the Port of Oakland, which was determined this past year by CARB's legal team. The determination was that the LCFS credits generated by Port-owned charging equipment belong to the Port of Oakland. More importantly, this designation puts LCFS money in the hands of the entities that are the most capable of building even more electrical infrastructure. This is the most effective way to accelerate the goal of the LCFS program: to transition California to a fully electric transportation system.

There is an enormous and pressing demand for a substantial investment in electrical infrastructure in the State. Below is a list of ideas for possible projects that could be built at the Port using LCFS funds.

- Building more shore power outlets to enable more ships to plug in, including demonstrating a moveable outlet instead of fixed-location outlets
- Helping Port tenants convert equipment to electric or hybrid.
- Building canopies with solar arrays and battery storage to help keep the Port's electrical system "live" during PG&E power outages. This would also help during Extreme Heat Events when the Governor issues Executive Orders asking vessels not to plug in to alleviate power demand, which occurred twice in 2020.
- Building solar arrays and battery storage on top of existing structures
- Designing and building a first-of-its-kind modular truck charging station, with solar on top and battery storage inside.
- Upgrading substations
- Building common truck charging stations for battery-electric drayage trucks.
- Building fueling infrastructure for hydrogen fuel cell equipment

This list illustrates the breadth of possible projects that could be built with LCFS funds, as long as the credits are generated by the owner of the electric charging infrastructure.

Furthermore, ports and warehouses where eOGV, eCHE, eTRU, and electric forklifts operate are often located in disadvantaged communities. At the Port of Oakland, CARB would have the assurance that all LCFS funds would be spent either in West Oakland near the Seaport or in East Oakland near Oakland International Airport.

CARB's proposed change in designation is especially beneficial for eTRUs. Currently, the Fuel Supply Equipment (FSE) is defined as the eTRU itself, which means that each individual refrigerated container must be registered separately in the LCFS tracking system. There are hundreds of thousands if not millions of individual refrigerated containers passing through California's ports each year. Registering and tracking thousands and thousands of new containers each quarter is tedious, time consuming, overwhelming, and a barrier to entry. It makes more sense for the FSE to be defined as the electrical outlet system at each facility, which can easily be metered with usage reported in a manageable manner.

The Port would also like to request that CARB add airport airside equipment to this round of LCFS rulemaking. California's airports, through the California Airport Council, have been working with CARB and a consultant to develop Energy Economy Ratio (EER) values for electric airside equipment such as Ground Support Equipment (eGSE), Pre-Conditioned Air (ePCA), and Ground Power Units (eGPU). Currently, airports will only be able to take advantage of the LCFS program by using a Tier 2 Pathway, which is a complicated process and a barrier for some airports. It would be simpler and beneficial to more airports if the EER values were instead incorporated into the program for everyone's use via this rulemaking.

Lastly, the Port requests that CARB consider revising the regulation to overcome the disparity in policies between the production of renewable diesel and alternative jet fuel. This will send the price signal that producers need to secure investment capital so they can expand their facilities and increase the supply of alternative jet fuel to airlines in California.

The Port of Oakland looks forward to working with CARB on the proposed amendments to the LCFS regulation. Please contact Ms. Tracy Fidell, P.E., Port Associate Environmental Planner/Scientist at tfidell@portoakland.com with any follow-up questions.

Sincerely,

Richard Sinkoff

Director of Environmental Programs and Planning

CC:

Kristi McKenney, Chief Operating Officer Michele Heffes, Port Attorney Bryan Brandes, Maritime Director Matthew Davis, Director of Governmental Affairs Bryant Francis, Director of Aviation Susan Fizzell, Senior Aviation Project Manager